

City Council
Jose Esteves, Mayor
Patricia Dixon, Vice Mayor
Bob Livengood, Councilmember
Althea Polanski, Councilmember
Armando Gomez Jr., Councilmember



CITY OF MILPITAS

AGENDA

ADJOURNED CITY COUNCIL/REDEVELOPMENT AGENCY

May 13, 2003
6:30 p.m.

Council Chambers, City Hall
455 E. Calaveras Blvd

- I. CALL TO ORDER/ROLL**
- II. PLEDGE OF ALLEGIANCE**
- III. CITIZENS FORUM**

***Public comment will be limited to only the subject matter on the Agenda;
Please limit remarks to two minutes.***

- IV. APPROVAL OF AGENDA**
- V. PUBLIC HEARING: PROPOSED FISCAL YEAR 2003-2004 BUDGET**

- 1. City Manager/Finance Director Overview
- 2. Operating Departments/Division Presentations
 - City Council
 - City Manager
 - Redevelopment & Economic Development
 - City Clerk
 - Engineering
 - Building
 - Information Services
 - Human Resources
 - City Attorney
 - Finance
 - Non-Departmental
 - Public Works
 - Planning, Transportation & Neighborhood Services

- Recreation
- Police
- Fire

3. Review Redevelopment Agency Budget & Financing
4. Review Five-Year Capital Improvement Program (2003-2008)
5. Review 2003-2004 Capital Improvement Budget
6. Open Public Hearing for Comments

VI. RECOMMENDATIONS

1. Close the public hearing;
2. Conceptually approve the 2003-2004 City/Agency Proposed Budgets;
3. Conceptually approve the Preliminary Five-Year Capital Improvement Budget;
4. Conceptually approve the 2003-2004 Capital Improvement Budget; and
5. Conceptually approve salary adjustments for Management, Unrepresented, and Confidential employees.

VII. ADJOURNMENT

In compliance with the Americans with Disabilities Act, individuals requiring accommodation for this meeting should notify the City Clerk 48 hours prior to the meeting at (408) 586-3001, TDD (408) 586-3013. Hearing assistance devices are available for use in the Council Chambers during the meeting.



CITY OF MILPITAS

455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479 • www.ci.milpitas.ca.gov

THE PROPOSED BUDGET FY 2003 – 2004

AND

THE PRELIMINARY FIVE-YEAR CAPITAL IMPROVEMENT

PROGRAM (2003 – 2008)

ARE AVAILABLE FOR REVIEW AT THE CITY HALL
INFORMATION DESK

MEMORANDUM

Office of the City Manager



To: Honorable Mayor and Council
From: Thomas J. Wilson
Subject: City Council and Commission Budgets – FY2003-04 -- Revised
Date: April 8, 2003

The following budget information is provided for your review and consideration. Detailed expense information is being provided for the following line items: Memberships, Council Training & Meetings, Community Promotions, and Commissions/Boards

<u>Memberships and Dues (Line item 4501)</u>	<u>FY02-03 Budget</u>	<u>FY03-04 Request</u>
League of California Cities	\$16,000	\$ 16,000
League of California Cities, Peninsula Division	50	50
National League of Cities	4,267	4,438
ABAG	9,212	9,451
Santa Clara County Cities Association	3,000	3,000
California Redevelopment Agency	16,550	16,730
Chamber of Commerce	300	375
US Conference of Mayors	3,174	- 0 -
LAFCO	8,200	8,200
Total	<u>\$ 60,992</u>	<u>\$ 58,244*</u>

*This total line item has decreased by \$2,748.

<u>Conferences/Meetings/Individual Memberships (Line item 4503)</u>	
Mayor	\$ 4,000
Councilmembers - \$2,000 each	8,000
Total	<u>\$ 12,000</u>

This total line item has no change requested.

Community PromotionsAllocated (Line item 4202)

Recognition Dinner	\$ 15,000
Business Experience Day	1,500
Chamber of Commerce (request attached)	10,400
Employee Events and Associations	5,000
Plaques/Awards	2,000
Miscellaneous	2,000
Unallocated—Authorized by Council Action only (<u>Line item 4203</u>)	\$ 10,000
Total	<u>\$ 45,900</u>

Commissions and Boards

Conference Expenses (<u>Line item 4521</u>)	\$ 11,225
Miscellaneous Expenses (memberships, name badges, name plates, etc.) (<u>Line item 4522</u>)	<u>3,660</u>
Total	<u>\$ 14,885</u>

Also included with this memo is an attachment which details the Commissions and Boards approved funding for FY02-03 and funding requests for FY03-04.

If additional information or changes are desired, please let me know.

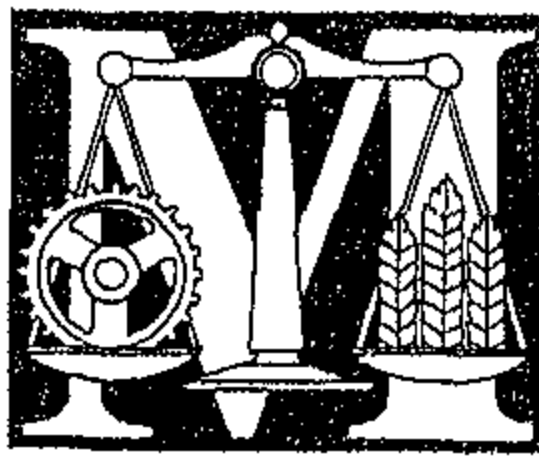
Attachments: Commission and Boards detail
Request from Chamber of Commerce

Budget Information - Commissions and Boards

	<u>FY 01-02</u> <u>Approved</u>	<u>FY 02-03</u> <u>Approved</u>	<u>FY 03-04</u> <u>Request</u>
<u>Conferences/Meetings (Line item 4521)</u>			
Arts	\$ 500.00	\$ 500.00	\$ 500.00
Bicycle Transportation Advisory	\$ 350.00	\$ 250.00	\$ 250.00
Citizens Emergency Preparedness	\$ 750.00	\$ 500.00	\$ 500.00
Community Advisory	\$ 600.00	\$ 500.00	\$ 500.00
Library Advisory	\$ -	\$ -	\$ -
Mobilhome Rent Control	\$ -	\$ -	\$ -
Parks, Recreation & Cultural Resources	\$ 6,000.00	\$ 4,000.00	\$ 2,000.00
Planning	\$ 11,900.00	\$ 11,900.00	\$ 5,900.00
Recycling and Source Reduction	\$ 600.00	\$ 600.00	\$ 600.00
Senior Advisory	\$ -	\$ -	\$ -
Sister Cities	\$ 480.00	\$ 480.00	\$ 525.00 ***
Telecommunications	\$ -	\$ -	\$ -
Youth Advisory	\$ 450.00	\$ 450.00	\$ 450.00
Total	\$ 21,630.00	\$ 19,180.00	\$ 11,225.00

***Increase in request is due to increase in annual membership fee for Sister City International Association

<u>Miscellaneous Expenses (Line item 4522)</u>			
Arts	\$ 260.00	\$ 260.00	\$ 260.00
Bicycle Transportation Advisory	\$ 150.00	\$ 150.00	\$ 150.00
Citizens Emergency Preparedness	\$ -	\$ 250.00	\$ 250.00
Community Advisory	\$ 350.00	\$ 350.00	\$ 350.00
Library Advisory	\$ 160.00	\$ 160.00	\$ 160.00
Mobilhome Rent Control	\$ -	\$ -	\$ -
Parks, Recreation & Cultural Resources	\$ 1,115.00	\$ 1,115.00	\$ 800.00
Planning	\$ 240.00	\$ 240.00	\$ 240.00
Recycling and Source Reduction	\$ -	\$ -	\$ -
Senior Advisory	\$ 200.00	\$ 200.00	\$ 200.00
Sister Cities	\$ 500.00	\$ 500.00	\$ 500.00
Telecommunications	\$ 300.00	\$ 300.00	\$ 300.00
Youth Advisory	\$ 450.00	\$ 450.00	\$ 450.00
Total	\$ 3,725.00	\$ 3,975.00	\$ 3,660.00
Total Conf/Mtgs & Misc. Exp.	\$ 25,355.00	\$ 23,155.00	\$ 14,885.00



February 11, 2003

Gateway to Silicon Valley

Mr. Thomas J. Wilson
City Manager
City of Milpitas
455 E. Calaveras Boulevard
Milpitas, CA 95035-5479

Dear Tom:

The Milpitas Chamber of Commerce is submitting for Council approval our Proposed Request for Funding for fiscal year 2003-2004. We are submitting the same budget that we requested for the 2003-2004 fiscal year. The funding request is for the amount of \$10,400.

The Chamber of Commerce is usually the first place that is contacted when information is needed on the City of Milpitas. The Chamber is contacted when a family is moving to the area, a business wants to locate in the City of Milpitas, inquiries from other cities for information, appraisers, developers, representatives from real estate firms, organizations that are special guests or teaching classes in their facility. The information packets compiled by the Chamber staff consist of the Community Economic Profile; Milpitas Map; Dining, Lodging and Entertainment Guide; School/Day Care Brochures and photo copies from our business directory or pertinent statistical information available from the Association of Bay Area Government (ABAG). Our statistical information has been a good marketing tool to entice professional people and businesses to locate in Milpitas. Without financial assistance from the City to defray the mailing and printing costs to produce the publications, the Chamber would not have this information available to send, and these requests would not be answered. The office assistant mails on an average of 100 packets per month with approximately 10 packets per month sent by the executive manager. The Chamber's location affords excellent visibility that encourages residents and visitors to Milpitas to stop by our office for information.

The Chamber realizes we need to pursue a strong retail promotion for our business community. In an effort to encourage people to "Shop Milpitas", we will contact the centers to schedule a series of promotions through the year. Although a retail line item has not been included in our present budget, we do request that the Council consider a monetary assistance for retail promotion.

As always, the Chamber is eager to welcome new visitors and businesses to Milpitas. We appreciate the financial assistance from the City, so we can offer statistical data, publications and other requested material that answer the requests. We sincerely hope that the Council will approve our 2003-2004 contract.

Sincerely,

MILPITAS CHAMBER OF COMMERCE


Gaye Morando
Executive Manager

MILPITAS CHAMBER OF COMMERCE
Proposed Request for Funding
Fiscal Year-2003-2004

Postage & Handling	Cost Breakdown	Contract Amount
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Approximately 100 information packets mailed monthly at an average of \$5.75 postage and handling. Packet consists of map, dining guide, school brochure, economic profile and photo -copies of statistical information, or varied data pertaining to the City or Chamber.

Approximate Cost: \$6,900	\$ 3,200.00
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Publications:

A: Milpitas Map-To continue free distribution

The Chamber's most requested publication.

If a \$1.00 charge was made, excluding advertisers and other gratis maps, approximately 8,000 maps could be sold. Projected income to Chamber is \$8,000

\$ 2,000.00

B. Community Economic Profile

4,500 Copies

Printing = \$700, phone \$25

Administration costs - 16 hours @ \$19/hr = \$304.

Approximate Cost: \$1,029	\$ 900.00
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C. Industrial Guide

1,000 Copies

Typesetting & Printing \$2,000

Telephone \$30. FAX paper \$18

Administrative costs = Approximately 50 hours @ \$13.50/hr = \$675 plus

5 hours @ \$19/hr = \$95

Approximate Cost: \$2,818.00	\$ 900.00
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D. Dining, Lodging and Entertainment Guide

This is the chamber's second most requested publication.

5,000 Copies

Printing = \$3,050

Phone = \$40, FAX paper \$10

Administrative costs = 50 hours @ \$13.50/hr = \$675.00 plus 5 hours @ \$19/hr = \$95.

Distribution \$100

Approximate Cost: \$3,970.00	\$ 2,600.00
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Fiscal Year 2003-2004

Cost Breakdown

Contract Amount

E: Clubs & Organizations Brochure and School/Day Care Brochures are updated in the Chamber Office. These projects are a City/Chamber partnership for production.

Functions & Programs:

A: Business Experience Day

Printing - \$200 Telephone \$40 Complimentary lunches 6 @ \$13.00 speaker & school guests = \$78, Speaker = \$200. Administrative cost = approximately 25 hrs @ \$19/hr = \$475 plus 20 hrs @ \$13.50/hr = \$270. Volunteer hour = 32 hrs. (4 volunteers). If paid, 4 volunteers x 8 hrs @ \$10/hr = \$320

Approximate Cost: \$1,583.00

\$ 800.00

B: Special Council Request

Upon request of Council or the Planning Commission, assess business and industrial needs and to help towards business retention. Past projects have included Business Retention Study, Parking Ordinance Study, Industrial Zoning Study, etc.

Total Request Amount:

\$10,400.00

**CITY OF MILPITAS
REQUEST FOR OUT-OF-STATE TRAINING/CONFERENCES**

Function Training/Organization	Person/Position	Location	Request
416 Utility Engineering			
Sewer Model Training at vendor's site	Asst Civil Engr or Engr Aide	Seattle, WA	2,000
812 Fire Suppression & Equipment			
National Fire Academy (The training fee will be paid by the National Fire Academy. Amount requested is for per- diem only)	M. Lopez/Batt. Chief	Emlttsburg, MD	360
Total			<u>2,360</u>



The City of Milpitas Fiscal Year 2003-2004

BUDGET IN BRIEF

Published for the Council and Citizens of Milpitas

May 2003

Milpitas' FY03-04 Budget Maintains Services Despite Fiscal Challenges

The FY 03-04 Operating Budget was developed conservatively to manage the revenue shortfall due to the recent economic recession and the economy's anticipated slow recovery. The adopted FY 2003-2004 General Fund Budget is \$60,101,116, a 2.8% decrease from last year. The proposed budget anticipates only a very small percentage of revenue growth due to slow economic recovery. The projected deficit in the General Fund is approximately \$4.9 million. To maintain the current level of service and programs for Milpitas citizens, the FY 03-04 budget proposes cost savings and judicious use of some of the reserve funds as follows:

- Continue the present hiring freeze in all non-public safety positions - projected to save no less than \$3 million
- Utilize \$1.5 million of Public Employees Retirement System Rate Stabilization Reserve to help fund a portion of the employer's contribution to the CalPERS Retirement Plan
- Utilize a not-to-exceed \$3.4 million of the General Fund unreserved, undesignated fund balance while maintaining \$9.25 million, at approximately 15% of the reserve requirement

CITY COUNCIL

Mayor

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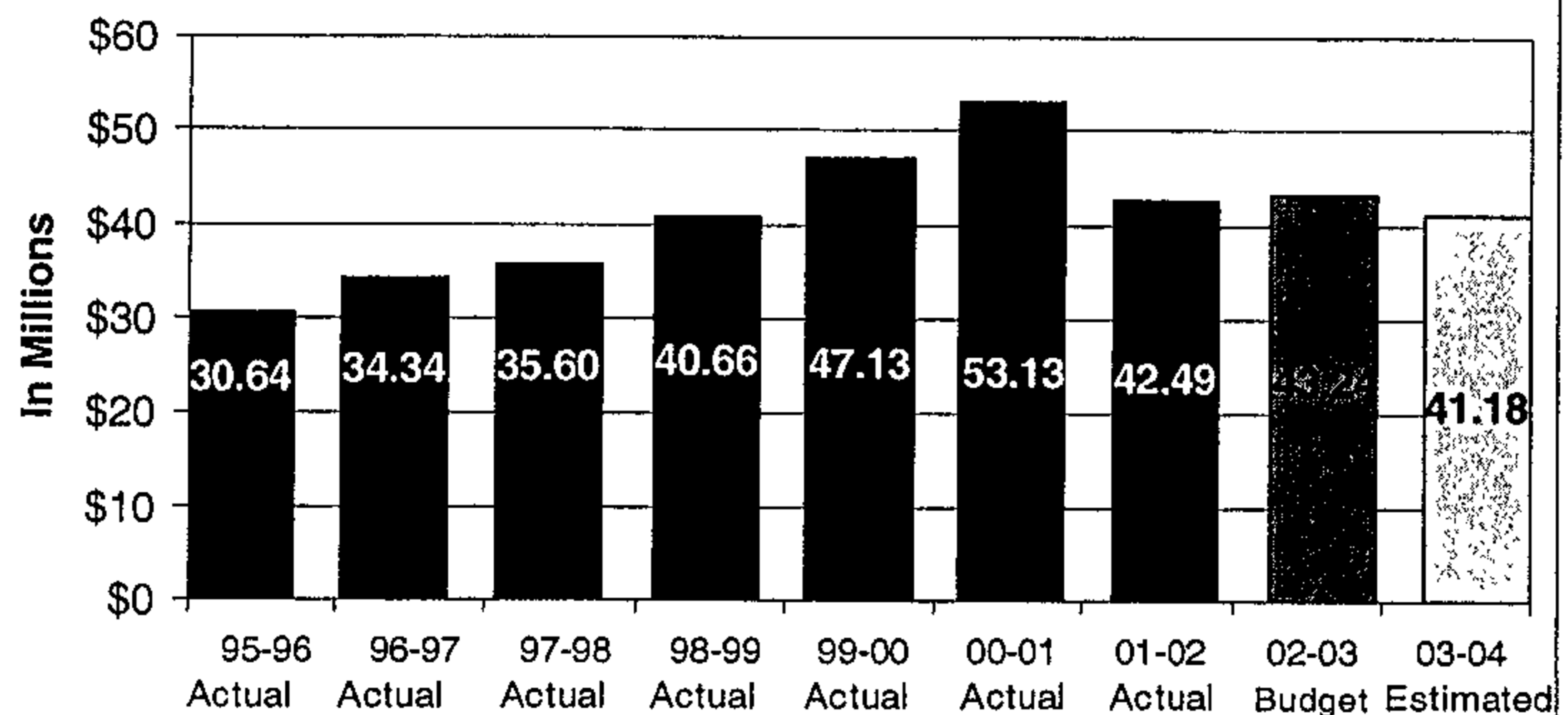
Councilmember
Armando Gomez

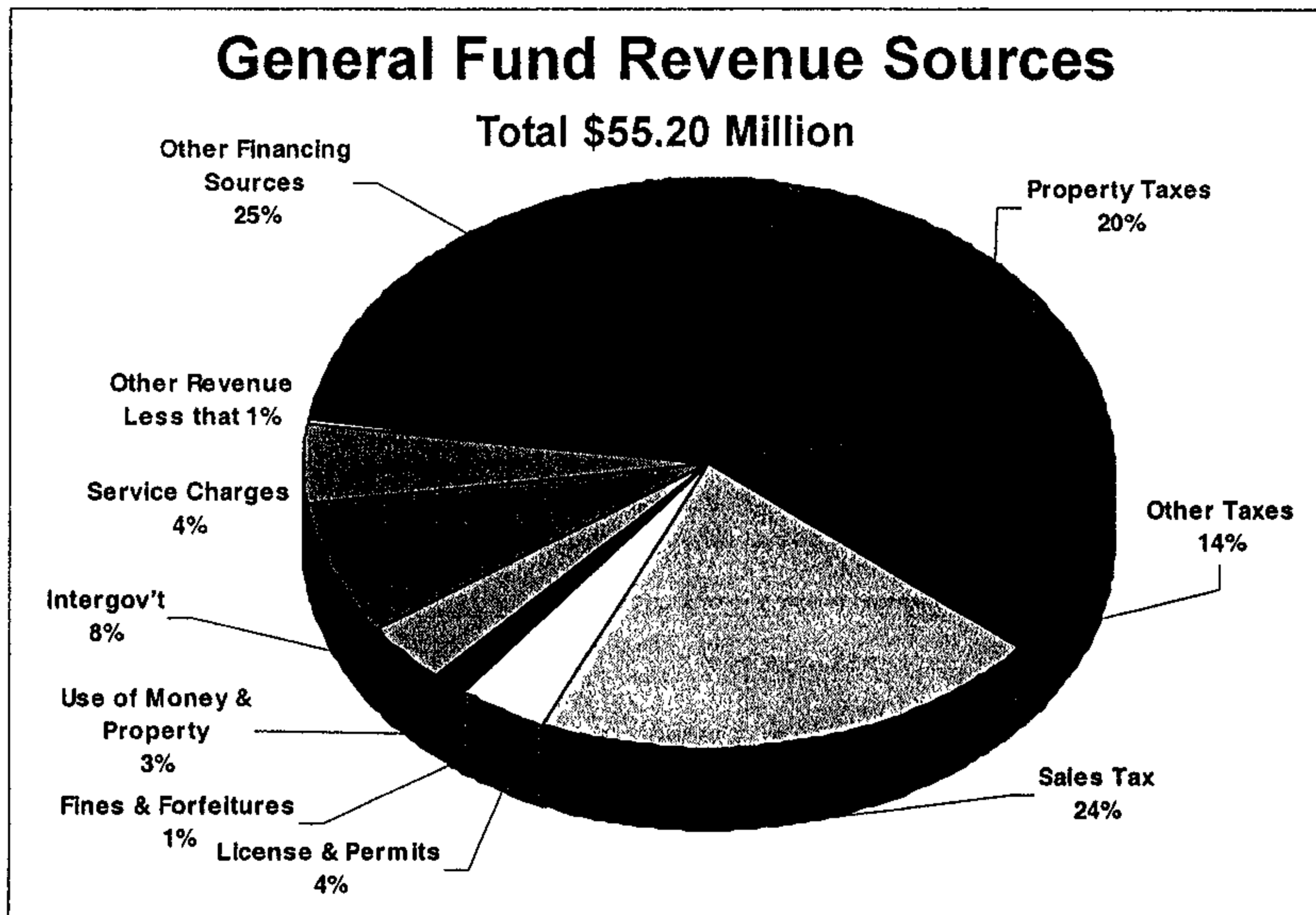
The new budget implements the Council's fiscal policies and priorities by:

- Continuing to provide high level of City services to the community in the most efficient and effective manner
- Completion of improvements on the interim Senior Center and planning for the reconstruction of a permanent Senior Center
- Completion of planning and design for the new Library
- Focusing on new commercial and residential development in Midtown
- Maintenance of a reserve level above 15% to ensure the continued financial stability of the City

General Fund Revenue Trend

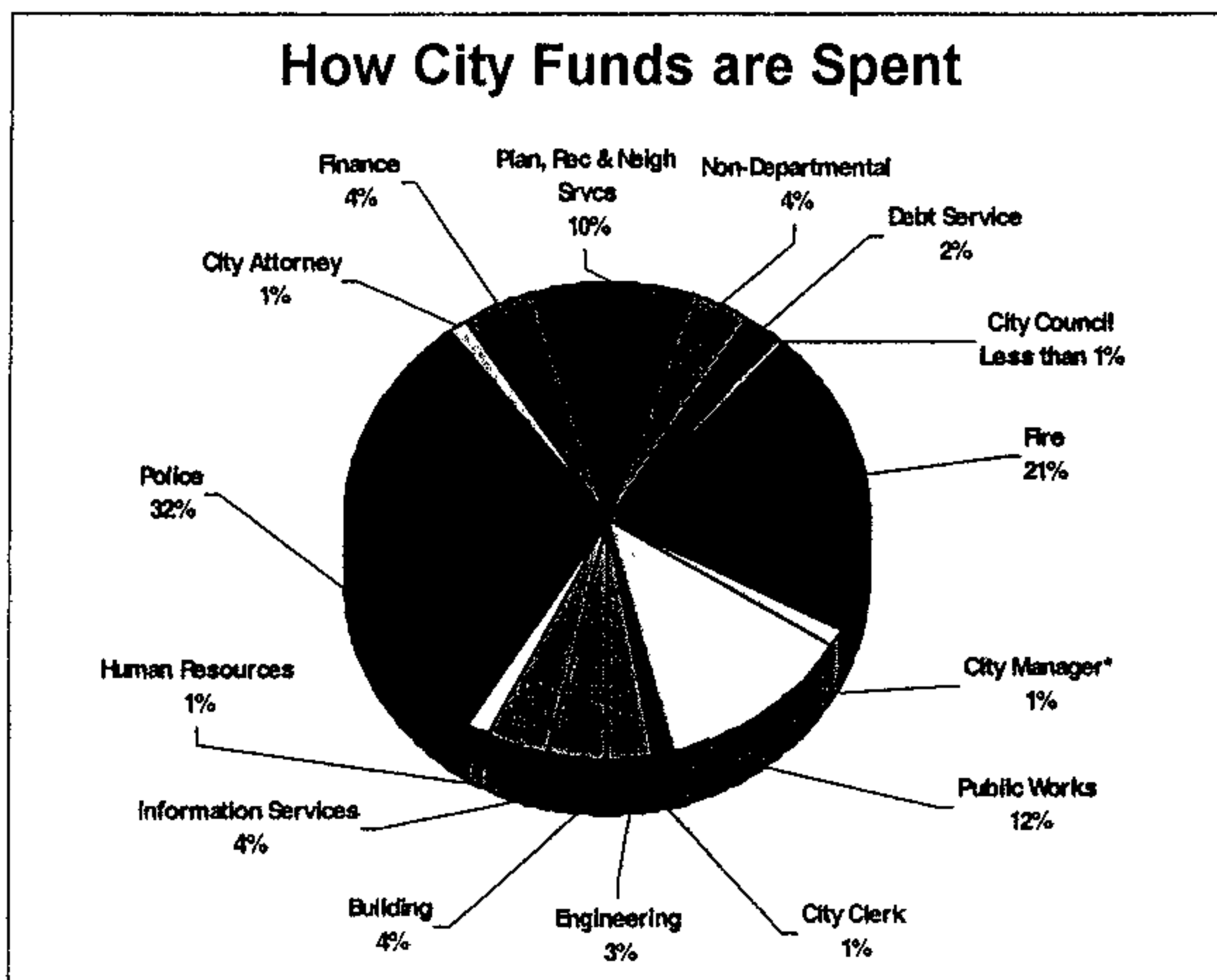
Fiscal Years 1995-96 to 2003-04





The General Fund Budget Dollar

Proposed FY 2003-2004



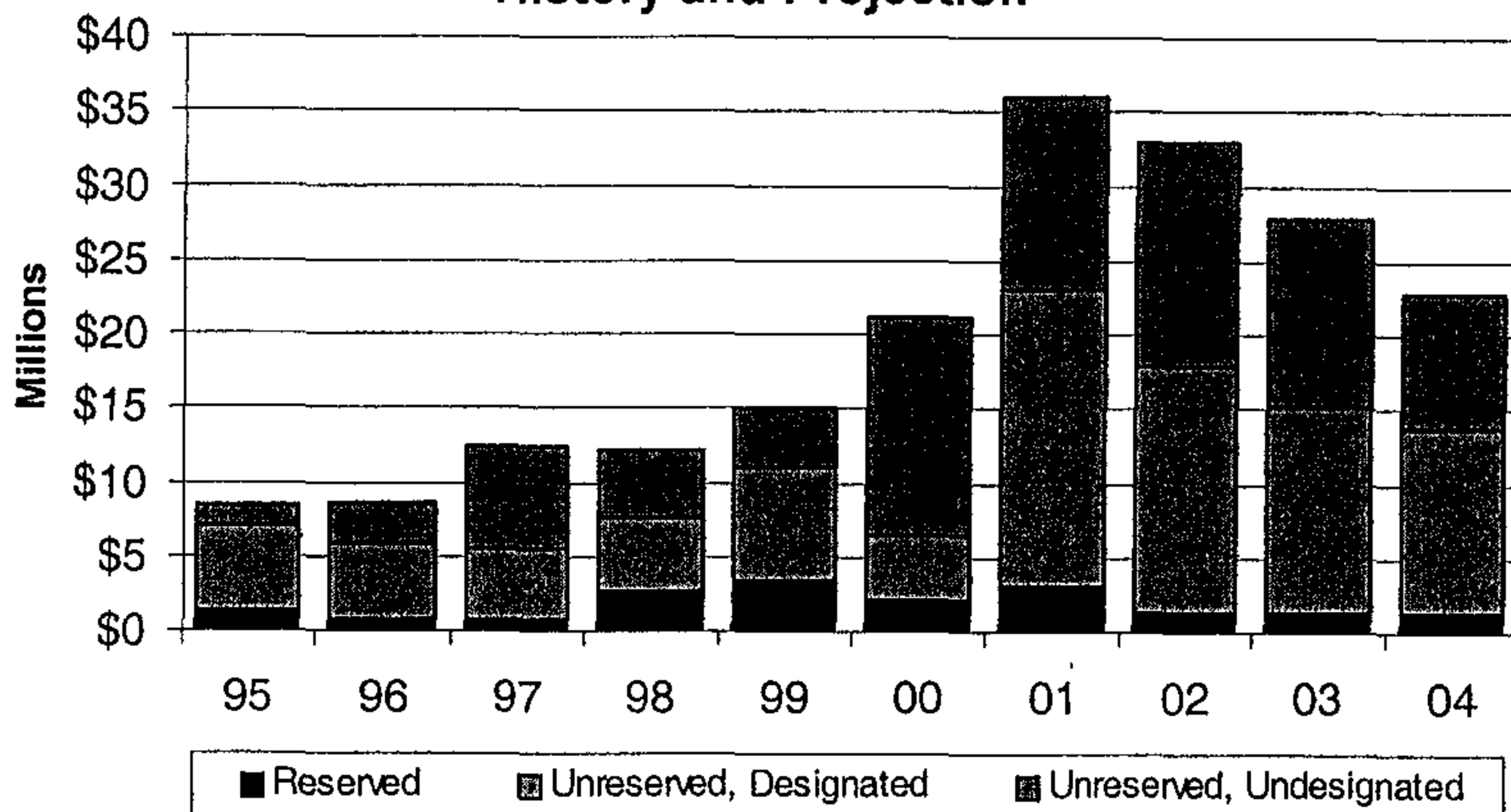
	Adopted FY 02-03	Proposed FY 03-04
City Council	358,606	292,499
Fire	12,881,677	12,501,461
City Manager*	724,186	649,155
Public Works	7,460,433	7,415,149
City Clerk	853,579	858,994
Engineering	1,896,808	1,697,055
Building	2,339,104	2,152,361
Information Services	2,410,744	2,294,255
Human Resources	854,380	893,823
Police	16,941,394	18,431,460
City Attorney	689,500	659,500
Finance	2,752,945	2,698,067
Plan, Rec & Neigh Svcs	6,583,072	6,103,166
Non-Departmental	3,799,274	2,191,533
Debt Service	<u>1,256,466</u>	<u>1,262,638</u>
Total	61,802,168	60,101,116

*Includes RDA & Economic Development

Non-General Fund Expenditures

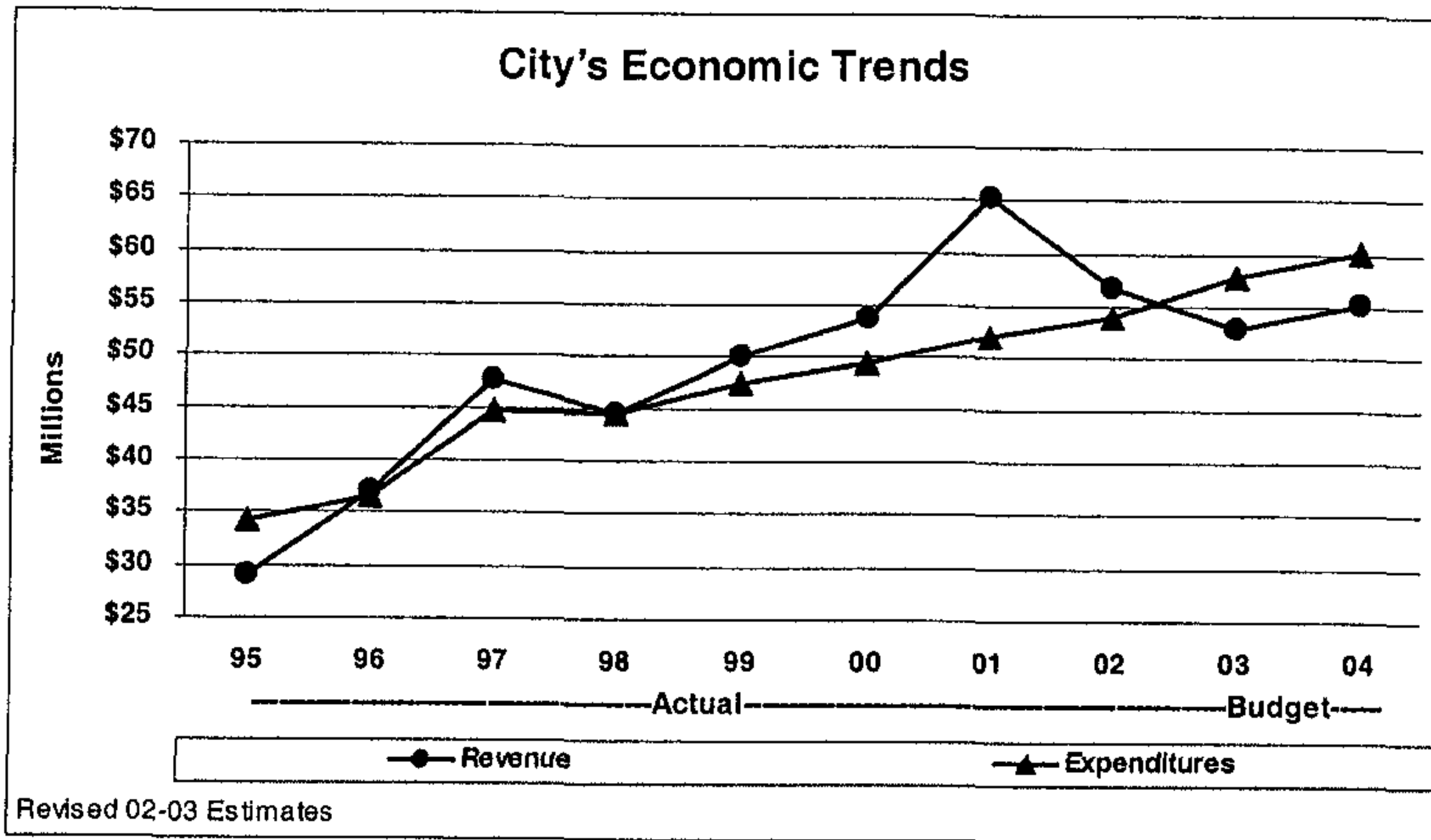
	Adopted <u>FY 02-03</u>	Proposed <u>FY 03-04</u>
Special Revenue Funds	1,762,396	2,003,054
Street Fund	233,875	206,470
Street CIP Fund	4,782,779	4,913,000
Park CIP Fund	661,935	594,245
General Gov't CIP Fund	558,000	600,000
RDA Project Fund	771,883	751,347
RDA CIP Fund	5,720,000	2,855,816
Water M & O Fund	8,900,131	9,003,058
Water CIP Fund	1,195,000	584,514
Recycled Water Fund	256,070	338,794
Sewer M & O Fund	7,426,521	5,974,606
Sewer CIP Fund	0	142,000
Equip Rplcmnt Fund	1,918,257	1,814,037
Debt Service Funds	<u>9,506,856</u>	<u>9,350,790</u>
Total	43,693,703	39,131,731

General Fund Reserves History and Projection



FY 02-03 Revised Estimates

General Fund Revenues vs Expenditures



BIGGER THAN BRIEF

The charts and budget tables in this *Budget In Brief* provide an overview of the City's proposed spending plan for FY 2003-2004. Perspectives on the budget are presented in the revenue trends chart and in the pie charts comparing revenue sources with expenditures. Detailed information about each department's expenditures and revenues is provided in the full Proposed Budget.

The Proposed Budget FY 2003-2004 is available for review at City Hall from the City Clerk's Office. Contact: 586-3000.

*The Budget In Brief is published by the
City of Milpitas, City Manager's Office and Finance Department
455 E. Calaveras Blvd., Milpitas, CA 95035*